

COUNTY EXECUTIVE'S 2006 BUDGET

DEPT: DEPARTMENT OF ADMINISTRATIVE SERVICES –
ECONOMIC AND COMMUNITY DEVELOPMENT

UNIT NO. 1192
FUND: General - 0001

OPERATING AUTHORITY & PURPOSE

The purpose of the Economic and Community Development Division is two-fold. Through economic development activities, it is charged to preserve and enhance the tax base of the County by undertaking programs and activities that stimulate, attract and revitalize commerce, industry and manufacturing. Its goal is to promote area-wide, regional economic development, marketing and cooperation among all involved governments and private-sector groups to provide for a unified development approach for the Milwaukee area.

Secondly, the Division seeks to maximize available public and private resources and provide professional services to promote self-sufficiency; to ensure that County neighborhoods are viable communities and that housing choices are safe and affordable for low and moderate income households.

Pursuant to Section 59.82 of the Wisconsin Statutes, Milwaukee County may participate in the development of a research and technology park through a nonprofit corporation organized specifically for this purpose. The Milwaukee County Research Park Corporation (MCRPC) was incorporated on May 18, 1987, with a mandate from Milwaukee County to develop a research park on approximately 172 acres of County land in the southwest quadrant of the County Grounds adjacent to the Milwaukee Regional Medical Center.

The development objective of the MCRPC is the establishment of a quality research and technology park that will complement, to the greatest extent possible, the Milwaukee Regional Medical Center, the University of Wisconsin-Milwaukee, the Milwaukee School of Engineering, Marquette University and the Medical College of Wisconsin, and enhance the economy of the City of Wauwatosa, Milwaukee County and the State of Wisconsin.

BUDGET SUMMARY				
Account Summary	2004 Actual	2005 Budget	2006 Budget	2005/2006 Change
Personal Services	\$ 1,766,154	\$ 1,730,577	\$ 1,913,504	\$ 182,927
Employee Fringe Benefits	946,555	970,192	951,461	(18,731)
Services	1,257,675	781,093	1,128,443	347,350
Commodities	15,566	31,900	31,900	0
Other Charges	17,667,096	17,683,916	18,186,569	502,653
Debt & Depreciation	0	0	0	0
Capital Outlay	10,993	16,500	16,000	(500)
Capital Contra	0	0	0	0
County Service Charges	698,757	851,379	878,404	27,025
Abatements	(3,310,159)	(4,051,534)	(4,257,991)	(206,457)
Total Expenditures	\$ 19,052,637	\$ 18,014,023	\$ 18,848,290	\$ 834,267
Direct Revenue	2,422,462	1,100,000	1,933,000	833,000
State & Federal Revenue	16,244,874	17,161,832	17,994,518	832,686
Indirect Revenue	435,653	436,584	518,317	81,733
Total Revenue	\$ 19,482,626	\$ 18,698,416	\$ 20,445,835	\$ 1,747,419
Direct Total Tax Levy	\$ (429,989)	\$ (684,393)	\$ (1,597,545)	\$ (913,152)

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ADDITIONAL COSTS NOT INCLUDED IN TAX LEVY*				
Account Summary	2004 Actual	2005 Budget	2006 Budget	2005/2006 Change
Central Service Allocation	\$ 225,142	\$ 399,676	\$ 223,591	\$ (176,085)
Courthouse Space Rental	206,208	194,716	202,915	8,199
Document Services	9,844	11,840	0	(11,840)
Tech Support & Infrastructure	68,835	81,225	93,759	12,534
Distribution Services	3,621	3,765	4,073	308
Emergency Mgmt Services	0	0	0	0
Telecommunications	10,900	5,838	8,279	2,441
Record Center	10,042	7,311	5,862	(1,449)
Radio	0	0	0	0
Computer Charges	29,688	34,655	28,857	(5,798)
Applications Charges	75,646	69,289	119,410	50,121
Total Charges	\$ 639,926	\$ 808,315	\$ 686,746	\$ (121,569)
Direct Property Tax Levy	\$ (429,989)	\$ (684,393)	\$ (1,597,545)	\$ (913,152)
Total Property Tax Levy	\$ 209,937	\$ 123,922	\$ (910,799)	\$ (1,034,721)

* These costs are included in other departmental and non-departmental budgets. They are reflected here to show the "total" amount of tax levy support for this Department.

PERSONNEL SUMMARY				
	2004 Actual	2005 Budget	2006 Budget	2006 Change
Personal Services (w/o EFB)	\$ 1,766,154	\$ 1,730,577	\$ 1,913,504	\$ 182,927
Employee Fringe Benefits (EFB)	\$ 946,555	\$ 970,192	\$ 951,461	\$ (18,731)
Position Equivalent (Funded)*	36.4	36.0	38.5	2.5
% of Gross Wages Funded	91.9	96.1	96.3	.2
Overtime (Dollars)**	\$ 16,868	\$ 0	\$ 0	\$ 0
Overtime (Equivalent to Position)	0.4	0.0	0.0	0

* For 2004, the Position Equivalent is the budgeted amount.

** Delineated for information. (Also included in personal services.)

PERSONNEL CHANGES				
Job Title/Classification	Action	Number of Positions/ Total FTE	Division	Cost of Positions (Excluding Fringe Benefits)
Real Estate Assistant	Create	1/1.0	Econ Development	39,660
Economic Development Specialist	Create	2/2.0	Econ Development	101,760
Accountant 3	Abolish	2/2.0	Econ Development	(98,940)
Fiscal & Mgmt Analyst 2	Create	2/2.0	Econ Development	98,428
			TOTAL	\$ 140,908

MISSION

The Economic and Community Development Division provides quality services and responds quickly and effectively to meet the needs of other County agencies, citizens and businesses. The

Division develops initiatives and operates programs that are designed to preserve and enhance the County's tax base and increase employment

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opportunities by helping to create an environment that stimulates business growth and development.

DEPARTMENT DESCRIPTION

The Economic and Community Development Division consists of several sections.

The **Community and Business Development Section** develops and administers programs designed to enhance the business climate, allowing existing businesses in Milwaukee County to flourish and expand while attracting new businesses to the community. Specific responsibilities include assisting businesses in accessing Milwaukee County resources and services, identifying and referring businesses to various sources of technical and financial assistance, working with municipalities and economic development agencies to package services to companies and promoting Milwaukee County to outside businesses. The Section seeks to identify catalytic projects that can leverage County resources and expand development efforts and efficiency.

Additionally, the Section manages, monitors and distributes Federal Community Development Block Grant funds throughout 16 participating County municipalities. This Federal funding source provides approximately \$2 million annually for economic development, public works, housing and other services that principally benefit low and moderate income individuals and families in participating communities, as well as County-wide.

The **Real Estate Section** manages, sells and acquires real estate for Milwaukee County. The Section manages and leases improved and unimproved properties, including air space parking lots for the Wisconsin Department of Transportation (WISDOT). The Section sells County surplus real estate and tax deed foreclosure properties in Milwaukee County. It also manages real estate leasing functions for County departments.

The Section also administers the HOME Investment Partnership Program. This Federal entitlement grant provides funding for the production of affordable housing and the rehabilitation of existing housing, as well as down payment and closing cash assistance for eligible first-time home buyers. This Section manages the Home Repair Loan Programs that

provide low or no interest loans to limited income homeowners to repair their homes. Loans are available for structural repairs, furnace problems, siding, sewer connections, plumbing, electrical repairs, exterior painting, energy or heat loss problems and code violations. This Section provides assistance to homeowners in determining the best method of home repair, selecting reputable contractors and proper inspections to ensure that quality work is performed at a reasonable cost.

The **Housing Choice Voucher Section** manages the Housing Choice Voucher (Section 8) Program. This Federally funded program subsidizes the rent of nearly 2,000 eligible low-income households living in privately owned housing throughout Milwaukee County. The program participant chooses the type and location of housing, and the rental unit is inspected to ensure it meets certain quality and safety standards. Program participants are annually re-certified to verify continued eligibility.

The **Special Needs Homeless Section** manages the Federally-funded Safe Haven and Shelter Plus Care Programs. The Safe Haven Program provides a home-like environment to seriously mentally ill homeless individuals who might otherwise be institutionalized. The Shelter Plus Care Program links supportive services with rental subsidies for homeless individuals who are seriously mentally ill, AIDS-HIV infected or alcohol/drug dependent.

BUDGET HIGHLIGHTS

- Personal services without fringe benefits increase by \$182,927 from \$1,730,577 to \$1,913,504. The increase is primarily due to the addition of three positions. Two other positions are abolished and replaced with two positions at a slightly lower salary level. In an effort to streamline and improve the county's economic development and real estate sales efforts, two new Economic Development Specialist positions and one Real Estate Assistant position are created in the economic development division. Also in the economic development division, two Accountant 3 positions are abolished and two Fiscal and Management Analyst positions are created resulting in a net savings of \$512 in 2006.

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- In addition to the Real Estate Assistant position, the office will be crosscharged for a new Real Estate Attorney position in the office of the Corporation Counsel.
- A new revenue stream of \$300,000 is created which represents a 10 percent service charge on the county's estimated land sales of \$3 million.
- Revenue from the federal Housing Choice Voucher Program is estimated to increase by \$832,685 to \$12.3 million. This revenue increase will be partially offset by an estimated increase in the cost of the program of \$497,803.
- Net revenue from parking is expected to increase by \$275,000 to \$825,000. Overall parking revenue is expected to rise to \$1,550,000, of which the state receives half less a \$50,000 administrative fee.
- Appraisal fees are cut by \$52,000 for the year because appraisals of the county's available real estate have mostly been completed.
- Dwelling revenues decline by \$17,000, and charges to maintain county properties are cut by \$20,000 because the county owns fewer properties than in past years.
- Service expenditures rise by \$347,350. A payment of \$275,000 to the state for its share of the increased parking revenue represents the majority of this increase. In addition, \$50,000 is budgeted to undertake a study of the efficiency of the county's golf courses; \$50,000 is budgeted for a study on behalf of the Behavioral Health Division of the Department of Health and Human Services to identify potential alternative locations for its inpatient, crisis and nursing home operations and/or to house its administrative and program staff; and \$25,000 is budgeted for the County to take part in a Greater Milwaukee Committee for a study of regional growth initiatives.
- The HOME Investment Partnership Program estimated Federal grant is \$1,325,000, a decrease of \$1,680 from \$1,326,680 in 2005. The required Federal match for the HOME program will be met through match credit that has been generated by the development of affordable housing projects by the County's Community Development Organization Southeast Affordable Housing Corporation and will require no tax levy in 2006.
- The Federal grant estimate for the 2006 Community Development Block Grant Program increases \$34,000, from \$1,956,000 to \$1,990,000.
- The 2006 Budget provides \$50,000 appropriation for the Economic and Community Development Reserve Fund.
- Revenue in the amount of \$215,584 from the Department of Health & Human Services-Behavioral Health Division (DHHS – BHD) is budgeted as BHD's match obligation for the Safe Haven Program. This is the same amount that was budgeted in 2005. The Federal Grant amount is currently dispersed through two separate grant agreements. These monies were combined into a single grant beginning July 2005. The grant amount will remain the same.
- Revenue of \$297,020 from the DHHS - BHD is budgeted to offset administrative expenses incurred by the Housing Division for administration of the Shelter Plus Care Program. This amount represents an average daily housing cost of \$2.06 for 280 formerly homeless, seriously mentally ill consumers who are assisted with securing and maintaining affordable housing.
- All departments are required to operate within their expenditure appropriations and their overall budgets. Pursuant to Section 59.60(12), Wisconsin Statutes, "No payment may be authorized or made and no obligation incurred against the county unless the county has sufficient appropriations for payment. No payment may be made or obligation incurred against an appropriation unless the director first certifies that a sufficient unencumbered balance is or will be available in the appropriation to make the payment or to meet the obligation when it becomes due and payable. An obligation incurred and an authorization of payment in violation of this subsection is void. A county officer who knowingly violates this subsection is jointly and severally liable to the county for the

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full amount paid. A county employee who removed for cause."
knowingly violates this subsection may be

COMMUNITY DEVELOPMENT BLOCK GRANT ALLOCATION BY MUNICIPALITY				
<u>Municipality</u>	2003 <u>Actual</u>	2004 <u>Actual **</u>	2005 <u>Projected</u>	2004/2005 <u>Change</u>
Bayside	\$ 29,000	\$ 27,975	\$ 29,200	\$ 1,225
Brown Deer	44,690	43,110	46,200	3,090
Cudahy	68,850	66,415	58,900	(7,515)
Fox Point	32,300	31,158	31,800	642
Franklin	66,040	63,705	58,100	(5,605)
Glendale	49,875	48,111	45,200	(2,911)
Greendale	47,170	45,502	43,600	(1,902)
Greenfield	79,830	77,007	72,100	(4,907)
Hales Corners	40,400	39,010	35,900	(3,110)
Milwaukee*	0	0	0	0
Oak Creek	68,160	65,750	60,600	(5,150)
River Hills	25,000	24,116	24,000	(116)
Saint Francis	55,420	53,460	49,400	(4,060)
Shorewood	55,660	53,692	47,700	(5,992)
South Milwaukee	69,210	66,763	59,100	(7,663)
Wauwatosa*	0	0	0	0
West Allis*	0	0	0	0
West Milwaukee	58,610	56,538	48,700	(7,838)
Whitefish Bay	<u>43,980</u>	<u>42,396</u>	<u>39,500</u>	<u>(2,896)</u>
TOTAL	\$ 834,195	\$ 804,708	\$ 750,000	\$ (54,708)

* The cities of Milwaukee, Wauwatosa and West Allis do not participate in the Urban County Agreement with Milwaukee County.

** The 2004 Actual includes \$50,708 of reprogrammed prior year grant funds.